

Mountain Coal Company, LLC
Gordon Creek Mines #2, #7, & #8
C/007/016

2007

Annual Report

June 27, 2008

File in:

☐ Confidential

☒ Shelf

☐ Expandable

Refer to Record No. 0002 Date 06/27/08

In C 0070016 2008 Income
For additional information

Mountain Coal Company, LLC
Gordon Creek Mines #2, #7, & #8
C/007/016

2007

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RECEIVED

JUN 30 2008

DIV. OF OIL, GAS & MINING

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Refer to Record No. 0003 Date 6/27/2008

In C/007/016, 2008, Gas Mining
For additional information

To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an x.

GENERAL INFORMATION

Permitte Name	Mountain Coal Company, LLC
Mine Name	Gordon Creek 2, 7 and 8 Mines
Operator Name (If other than permittee)	
Permit Expiration Date	August 28, 2009
Permit Number	C/007/0016
Authorized Representative Title	Eugene E. DiClaudio, President
Phone Number	(970) 263-5140
Fax Number	(970) 263-5161
E-mail Address	gdiClaudio@archcoal.com
Mailing Address	Arch Western Bituminous Group, LLC, 255 N. 5 th Street, Suite 900, Grand Junction, CO, 81501
Designated Representative	Chris D. Hansen
Resident Agent	Corporation Trust Company
Resident Agent Mailing Address	Corporation Trust Center, 1209 Orange Street, Wilmington DE
Number of Binders Submitted	2 – One to SLC DOGM Offices, One to the Price Field Office

IDENTIFICATION OF OTHER PERMITS

Identify other permits that are required in conjunction with mining and reclamation activities.

Permit Type	ID Number	Description	Expiration Date
MSHA Mine ID(s)	N/A		
MSHA Impoundment(s)	N/A		
NPDES/UPDES Permit(s)	UTG-040004	UPDES Permit - inactive	4/30/10
PSD Permit(s) (Air)	N/A		
Other	None		

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Refer to Record No. 0002 Date 6/27/08

In C/007/0016, 2008, Incoming
For additional information

CERTIFIED REPORTS

List the certified inspection reports as required by the rules and under the approved plan that must be periodically submitted to the Division. Specify whether the information is included as Appendix A to this report or currently on file with the Division.

Certified Reports:	Required		Included or Included	DOGM file location Vol, Chapter, Page	Comments
	Yes	No			
Excess Spoil Piles	<input type="checkbox"/>	X	<input type="checkbox"/>		
Refuse Piles	<input type="checkbox"/>	X	<input type="checkbox"/>		
Impoundments	X	<input type="checkbox"/>	X		Appendix A
Other					
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the MRP and conditions accepted with the permit are completed throughout the year.

REPORTING OF OTHER TECHNICAL DATA

List other technical data and information as required under the approved plan, which must be periodically submitted to the Division. Specify whether the information is included as Appendix B to this report or currently on file with the Division.

*Reminder: If equipment has been abandoned during 2007, an amendment must be submitted that includes a map showing its location, a description of what was abandoned, whether there were any hazardous or toxic materials and any revision to the PHC as necessary.

LEGAL, FINANCIAL, COMPLIANCE AND RELATED INFORMATION

Change in administration or corporate structure can often bring about necessary changes to information found in the mining and reclamation plan. The Division is Requesting that each permittee review and update the legal, financial, compliance and related information in the plan as part of the annual report. Please provide the Department of Commerce, Annual Report of Officers, or other equivalent information as necessary to ensure that the information provided in the plan is current. Provide any other change as necessary regarding land ownership, lease acquisitions, legal results from appeals of violations, or other changes as necessary to update information required in the mining and reclamation plan. Include certified financial statements, audits or worksheets, which may be required to meet bonding requirements. Specify whether the information is currently on file with the Division or included as Appendix C to the report.

Legal / Financial Update	Required		Included or Included	DOGM File location Vol, Chapter, Page	Comments
	Yes	No			
Department of Commerce, Annual Report Officers	X		X	<input type="checkbox"/>	Appendix C
Other					
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

MINE MAPS

Copies of mine maps, current and up-to-date through at least December 31, 2007, are to be provided to the Division as Appendix D to this report in accordance with the requirements of R 645-301-525.240. These map copies shall be made in accordance with 30 CFR 75.1200 as required by MSHA. Upon request, the Division shall keep mine maps confidential. Please provide a CD.

OTHER INFORMATION

Please provide any comments of further information to be included as part of the Annual Report. Any other attachments are to be provided as Appendix E to this report. If information is submitted as a group rather than by individual mine, please identify each of the mine's data in the list below.

Additional attachment to this report?

Yes ☐

No ☐

APPENDIX A

Certified Reports

Excess Spoil Piles
Refuse Piles
Impoundments

As required under R645-301-514

CONTENTS

Annual Pond Inspections

**MOUNTAIN COAL COMPANY
2007 ANNUAL POND INSPECTION REPORT**

POND: 2/7/8 Sediment Pond (Pond Removed/Reclaimed in October 2007)

LOCATION: Gordon Creek 2/7/8

IMPOUNDMENTS	
(1) Stability	
(2) Structural Weakness/Erosion	
(3) Potential Safety Hazards	
(4) Depth of Impounded Water	
(5) Existing Storage Capacity	
(6) Monitoring Procedures	

SEDIMENT PONDS ONLY			
(7) Sediment Accumulation (Elevation)			
(8) Sediment Cleanout Level (Elevation)			
(9) Principle Spillway (Elevation)			
(10) Emergency Spillway (Elevation)			
(11) Existing Sediment Capacity (Maximum)			

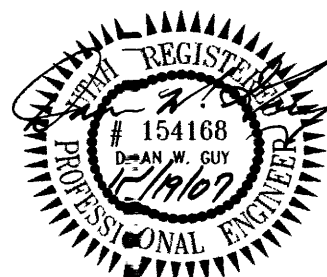
GENERAL	
(12) Comments/Recommendations	

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.


(Signature)

11/19/2007
(Date)



**MOUNTAIN COAL COMPANY
2007 ANNUAL POND INSPECTION REPORT**

POND: Jacobs Pond **LOCATION:** Gordon Creek 2/7/8

IMPOUNDMENTS	
(1) Stability	Slopes Stable.
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	8" - 10" Water.
(5) Existing Storage Capacity	N/A
(6) Monitoring Procedures	Quarterly Inspection

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	N/A
(8) Sediment Cleanout Level (Elevation)	N/A
(9) Principle Spillway (Elevation)	N/A
(10) Emergency Spillway (Elevation)	N/A
(11) Existing Sediment Capacity (To Cleanout)	N/A

GENERAL	
(12) Comments/Recommendations	Stock/Wildlife Watering Pond. No Visible Inflow.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.


(Signature)

11/19/2007
(Date)



APPENDIX B

Reporting of Technical Data

Including monitoring data, reports, maps, and other information
As required under the approved plan or as required by the Division

In accordance with the requirement of R645-310-130 and R645-301-140

CONTENTS

None

APPENDIX C

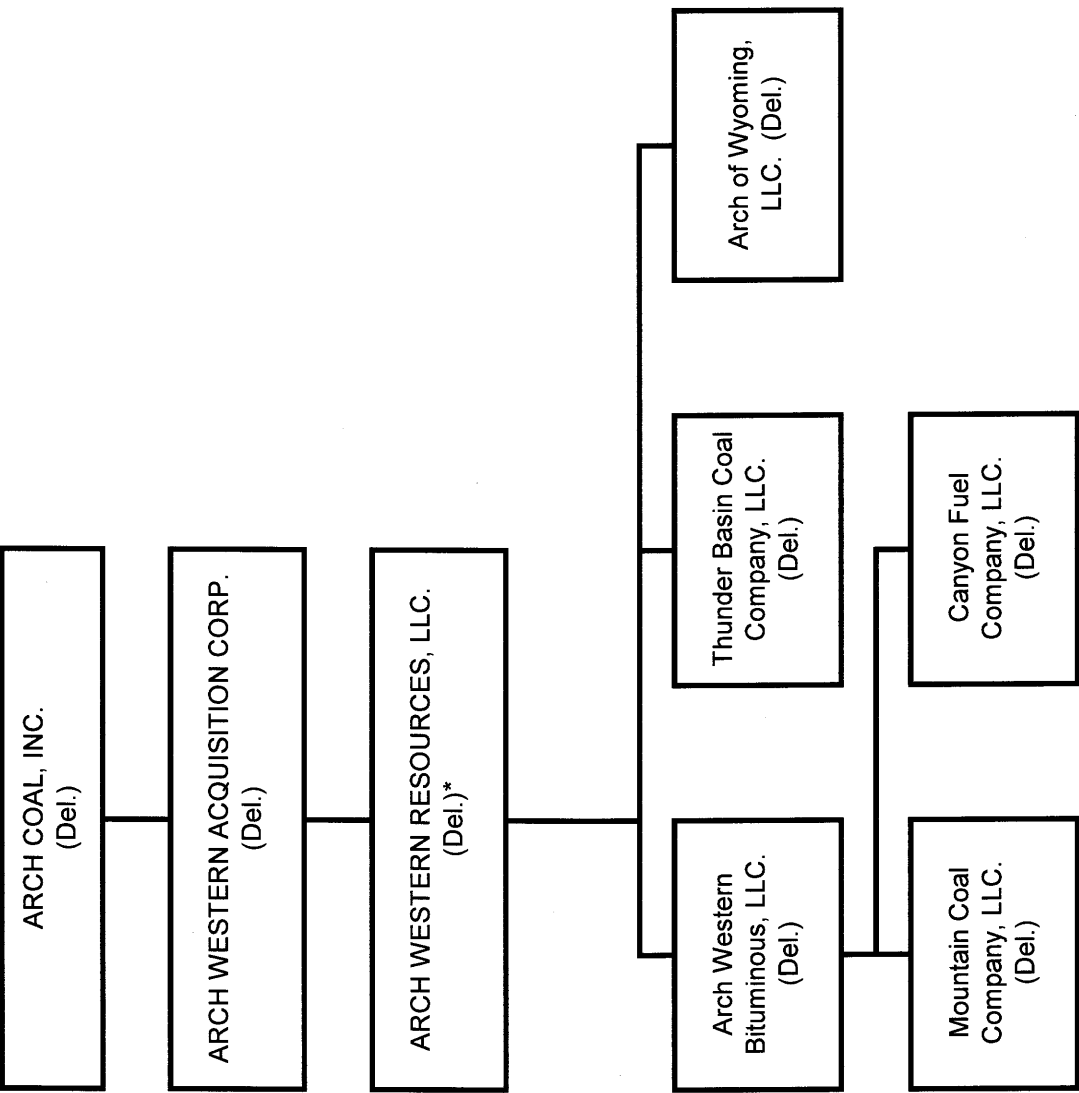
Legal Financial, Compliance and Related Information

Annual Report of Officers
As submitted to the Utah Department of Commerce

Other change in ownership and control information
As required under R645-301-110

CONTENTS

Corporate Officers



* 99% of Arch Western Resources, LLC is owned by Arch Western Acquisition Corp., 1% is owned by Delta Housing, Inc.

ARCH COAL INC. (144492)
OWNERSHIP AND CONTROL INFORMATION

ID No.	Name	Position	Begin Date	End
125225	LEER, STEVEN F	CEO	7/1/97	
125225	LEER, STEVEN F	DIR	7/1/97	
125225	LEER, STEVEN F	CB	4/28/06	
138467	LANG, PAUL	SVP	12/7/06	
	DREXLER, JOHN T	CFO, VP	5/1/08	
044179	BESTEN JR, CLARENCE HENRY	VP	7/1/97	
098471	PEUGH, DAVID B	VP	7/1/97	
118428	LOCKHART, THOMAS A	DIR	2/21/03	
119588	BOYD, JAMES ROBERT	DIR	7/1/97	
127325	JONES, ROBERT G	VP	3/1/00	
127325	JONES, ROBERT G	GC, SEC	10/16/00	
129563	STEELE, CHARLES DAVID	VP (TAX)	4/23/03	
133451	EAVES, JOHN W	COO	12/11/02	
133451	EAVES, JOHN W	DIR	2/23/06	
133451	EAVES, JOHN W	PRS	4/28/06	
152524	BAMBICO, ANTHONY S	VP	4/27/06	
138362	HUNT, DOUGLAS H	DIR	7/1/97	
157113	ABBENE, MICHAEL T	VP, CIO	7/1/05	
146381	FLORCZAK, JAMES E	TRS	8/17/98	
146805	PERRY, MICHAEL A	DIR	9/28/98	
147242	SANDS, THEODORE D	DIR	2/25/99	
147387	LORSON, JOHN W	COP	4/9/99	
147951	POTTER, ROBERT G	DIR	4/26/01	
149715	BURKE, FRANK M	DIR	9/7/00	
150775	SLONE, DECK S	VP	4/26/01	
153333	FELDMAN, SHEILA B	VP	2/3/03	
155172	GODLEY, PATRICIA FRY	DIR	7/22/04	
156500	KELLEY, ALLEN	COF	3/15/05	
113124	WARNECKE, DAVID N	VP	8/8/05	
157738	BILLHARTZ, GREGORY A	ASC	12/8/05	
149037	TAYLOR, WESLEY M	DIR	7/28/05	
158670	JENNINGS, BRIAN J	DIR	7/27/06	
CHANGES 2004 - 2008				
120514	PARKER, JAMES L	DIR	7/1/97	3/31/04
043422	WOODRING, KENNETH GEORGE	EVP	7/1/97	2/21/05
154854	ZIEGLER, JOHN A	COF	4/24/03	3/1/05
093320	SHANKS, ROBERT W	VP	7/1/97	3/18/05
104762	HATFIELD, BENNETT K	VP	4/24/03	3/31/05
148971	ALLBRITTEN, BRADLEY M	VP	3/1/00	6/1/05
140828	BROWN, LARRY R	VP, CIO	7/1/97	7/1/05
148741	VINING, PAUL H	SVP	6/1/05	8/5/05
150044	HORGAN, JANET L	ASC	10/16/00	10/14/05
150044	HORGAN, JANET L	AGC	10/16/00	12/14/05
119588	BOYD, JAMES ROBERT	CB	7/1/97	4/28/06
133451	EAVES, JOHN W	EVP	12/11/02	4/28/06
125225	LEER, STEVEN F	PRS	7/1/97	4/28/06
150302	MESSEY, ROBERT J	CFO, VP	12/1/00	4/30/08

MAY 2008

LEGEND

AGC - ASSISTANT GENERAL COUNSEL
AST - ASSISTANT TREASURER
CB - CHAIRMAN OF THE BOARD
CFO - CHIEF FINANCIAL OFFICER
COO - CHIEF OPERATING OFFICER
CIO - CHIEF INFORMATION OFFICER
EVP - EXECUTIVE VICE PRESIDENT
GM - GENERAL MANAGER
GC - GENERAL COUNSEL
SEC - SECRETARY
VP - VICE PRESIDENT
SVP - SENIOR VICE PRESIDENT

ASC - ASSISTANT SECRETARY
CEO - CHIEF EXECUTIVE OFFICER
COF - INTERNAL AUDITOR
COP - CONTROLLER
DIR - DIRECTOR
FIN - FINANCE
PRS - PRESIDENT
TRS - TREASURER

ARCH WESTERN RESOURCES LLC (145595)
OWNERSHIP AND CONTROL INFORMATION

ID No.	Name	Position	Begin Date	End
138467	LANG, PAUL A	PRS	6/27/05	
098471	PEUGH, DAVID B	VP	3/17/98	
127325	JONES, ROBERT G	VP	3/1/00	
127325	JONES, ROBERT G	ASC	3/14/01	
129563	STEELE, CHARLES DAVID	VP (TAX)	5/23/03	
146381	FLORCZAK, JAMES E	TRS	9/15/98	
146381	FLORCZAK, JAMES E	VP (FIN)	4/1/02	
	DREXLER, JOHN T	VP	5/1/08	
155171	MERMIS, JOLENE JOUETT	ASC	7/1/04	
157738	BILLHARTZ, GREGORY A	SEC	11/7/05	
158835	WILL, PATRICIA A	AST	7/14/06	

OWNERSHIP

109255	ATLANTIC RICHFIELD CO	3/17/98	1%
145629	ARCH WESTERN ACQUISITION CORP	3/17/98	99%

CHANGES 2004 - 2006

153790	ODONNELL, ANNE W	ASC	5/23/03	6/18/04
093320	SHANKS, ROBERT W	PRS	6/2/98	3/31/05
133451	EAVES, JOHN W	PRS	4/1/05	6/27/05
150044	HORGAN, JANET L	SEC	10/16/00	10/14/05
146912	DIGIACOMO, ELAINE	AST	7/25/03	7/14/06
150302	MESSEY, ROBERT J	VP	3/20/02	4/30/08

May 2008

ARCH WESTERN ACQUISITION CORP (145629)
OWNERSHIP AND CONTROL INFORMATION

ID No.	Name	Position	Date	Begin Date	End
044179	BESTEN JR, CLARENCE HENRY	DIR		1/26/00	
098471	PEUGH, DAVID B	VP, DIR		5/7/98	
138467	LANG, PAUL A	PRS, DIR		6/27/05	
129563	STEELE, CHARLES DAVID	VP(TAX)		5/23/03	
146381	FLORCZAK, JAMES E	TRS		9/15/98	
146381	FLORCZAK, JAMES E	VP		3/28/02	
157738	BILLHARTZ, GREGORY A	SEC		11/7/05	
	DREXLER, JOHN T	VP		5/1/08	
155171	MERMIS, JOLENE JOUETT	ASC		7/1/04	
<u>OWNERSHIP</u>					
144492	ARCH COAL INC		4/17/98	100%	
<u>CHANGES 2003 - 2005</u>					
010680	ROSE, WILLIAM H	ASC		5/7/98	5/23/03
153790	ODONNELL, ANNE WALTHEN	ASC		5/23/03	6/18/04
127325	JONES, ROBERT G	PRS, DIR		3/1/00	6/27/05
150044	HORGAN, JANET L	SEC		10/1/00	10/14/05
150302	MESSEY, ROBERT J	VP		3/28/02	4/30/08

May 2008

**DIRECTORS AND OFFICERS OF
ARCH WESTERN BITUMINOUS GROUP, L.L.C.**

**Arch Western Bituminous Group
225 North 5th Street
9th Floor, Alpine Bank Building
Grand Junction, CO 81501**

NAME	POSITION	DATE TENURE COMMENCED ¹
DIRECTORS:		
Eugene DiClaudio	Director	29 July 2004
Robert W. Shanks	Director	29 July 2004
Kenneth G. Woodring	Director	Resigned 21 February 2005
John W. Eaves	Director	21 February 2005
OFFICERS:		
Eugene DiClaudio	President and General Manager	29 July 2004
Charles David Steele	Vice President – Tax	29 July 2004
Janet L. Horgan	Secretary	Resigned 14 October 2005
Gregory A. Billhartz	Secretary	07 November 2005
James E. Florczak	Vice President	29 July 2004
	Treasurer	
Jolene Jouett Mermis	Assistant Secretary	29 July 2004

¹Terms for Directors and Officers are open-ended. The ending date is when the individual leaves the company or resigns from the board.

APPENDIX D

Mine Maps

As required under R645-302-525-270

CONTENTS

NONE

APPENDIX E

Other Information

In accordance with the requirements of R645-301 and R645-302

CONTENTS

NONE